



Welcome to your CDP Climate Change Questionnaire 2019

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Gap Inc. was founded in San Francisco in 1969. Today, Gap Inc. is a leading global retailer offering clothing, accessories and personal care products for men, women and children under the Old Navy, Gap, Banana Republic, Athleta, Intermix, Janie and Jack, and Hill City brands, with approximately 135,000 employees, including part-time and full-time employees. Gap Inc. products are available for purchase in more than 90 countries worldwide through company-operated stores, franchise stores, and e-commerce sites. (as of FY'18).

As our business evolves, we continue to work on further integrating sustainability into our core business and interactions with all stakeholders, including the suppliers that make our branded products. We believe sustainability promotes innovation and improves employee engagement, operational efficiency, productivity, and ultimately, our profitability.

In 2018 our Athleta brand was certified as a benefit corporation ("B Corp"), furthering its commitment to using business as a force for good to drive social and environmental impact by meeting rigorous standards across social and environmental performance, accountability and transparency. Additionally, we have amended Athleta's legal charter to become a Delaware Public Benefit Corporation in order to further uphold Athleta's commitments to people and the planet. With this accreditation, Gap Inc. has become one of the largest publicly traded retail companies with a B Corp certified subsidiary apparel brand. We plan to leverage the learnings from Athleta as a case study for Gap Inc., providing a benchmark and roadmap of potential opportunities for greater social and environmental impact across the enterprise. In addition, our Hill City brand has also been designated a B Corp certified brand for integrating sustainability throughout many of its products by using high-quality renewable, recycled fibers to create performance fabrics.



C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years
Row 1	February 3, 2018	February 2, 2019	No

C0.3

(C0.3) Select the countries/regions for which you will be supplying data.

- Bangladesh
- Canada
- China
- China, Hong Kong Special Administrative Region
- Egypt
- France
- India
- Indonesia
- Ireland
- Italy
- Japan
- Mexico
- Pakistan
- Puerto Rico
- Republic of Korea
- Sri Lanka
- Taiwan, Greater China
- Turkey
- United Kingdom of Great Britain and Northern Ireland
- United States of America



Viet Nam

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your consolidation approach to your Scope 1 and Scope 2 greenhouse gas inventory.

Operational control

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
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Director on board	<p>The Gap Inc. Governance and Sustainability Committee of the Board of Directors assists the board in fulfilling its oversight responsibilities relating to the Company’s corporate governance matters, including the development of corporate governance guidelines, periodic evaluation of the board, oversight of the Company’s programs, policies and practices relating to social and environmental issues and impacts, and such other duties as directed by the board of directors.</p> <p>Specifically related to sustainability, the Committee's responsibilities mandates that they review and evaluate Company programs, policies and practices relating to social and environmental issues and impacts to support the sustainable growth of the Company’s businesses.</p>
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C1.1b

(C1.1b) Provide further details on the board’s oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – some meetings	<ul style="list-style-type: none"> Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding business plans Setting performance objectives Monitoring implementation and performance of objectives 	<p>Gap Inc.’s Board of Directors, particularly the Board’s Governance and Sustainability Committee, oversees the Company’s Global Sustainability program and receives regular updates directly from the Executive Vice President of Global Sustainability. The Committee oversees and approves strategy, goals and progress related to climate change and other environmental issues. The Board of Directors reviewed our enterprise goals for addressing Climate Change, with our 50% Scope 1 & 2 targets.</p>



	Overseeing major capital expenditures, acquisitions and divestitures Monitoring and overseeing progress against goals and targets for addressing climate-related issues	
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C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Sustainability committee	Both assessing and managing climate-related risks and opportunities	Quarterly
Environment/ Sustainability manager	Both assessing and managing climate-related risks and opportunities	Quarterly

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

The Governance and Sustainability Committee is a sub-committee of the Board of Directors (BoD), and receives regular updates from the EVP of Global Sustainability on our environmental initiatives and performance. Our Executive Vice President (EVP) of Global Sustainability is the executive responsible for assessing and managing climate-related risks and opportunities. This individual also meets quarterly with the Gap Inc. CEO to discuss social and environmental responsibility issues, and also with the Company's EVP of Global Supply Chain. Our environmental/sustainability executive reports to Executive Vice President and Chief People Officer, who reports directly to our CEO. Our environmental/sustainability executive is responsible



for guiding strategy, setting of management approach and priorities and achieving climate-related goals. As the individual primarily responsible for the Global Sustainability function, they directly oversee the teams that develop and carry out the workstreams identified to address our environmental risks. While Governance is an essential function of the BoD, the addition of sustainability to their remit ensures it is elevated as a topic and considered regularly in corporate decision-making. This integration helps consider sustainability, including climate change risks, are not considered siloed topics, allowing for meaningful dialogue.

Our organizational structure requires particularly close collaboration across key departments at Gap Inc., which is why our Global Sustainability department works closely with our Supply Chain, Strategic Sourcing, Government Affairs, Public Affairs, Legal, and Gap Foundation teams, among others. Leaders from across the Company, including these functions form our Environmental Council, which also plays an active role in overseeing our environmental initiatives and performance. Alongside the Global Sustainability Department, this Council is responsible for assessing and reviewing strategy related to climate change and other environmental issues, as well as implementing initiatives and policies throughout business functions. By including individuals with subject matter expertise and responsibilities from throughout Gap Inc.'s operations, the Council enables cross-functional collaboration and achievement of sustainability activities. As an example, Council members were instrumental to developing and approving a virtual power purchase agreement (VPPA) to procure renewable energy for the Company.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

Yes

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Who is entitled to benefit from these incentives?

Management group

Types of incentives



Monetary reward

Activity incentivized

Emissions reduction project

Comment

We empower our employees to drive change and support our efforts to improve environmental sustainability. Many of our best ideas come from our employees, and we actively encourage and support sustainable innovation in each of our brands. The incentives we provide for innovation across the company, while not solely dedicated to climate change or the environment, may be awarded for work on reducing emissions, meeting targets, leading emissions reduction initiatives and piloting innovative programs which actively respond to environmental issues. For example, Annual Performance Bonus plans provide financial incentives to reward our employees for achieving company and/or individual performance goals, including environmental initiatives or programs. The objectives of our bonus plans are: To reward financial performance, achievement of organization and individual goals and to support the company's pay-for-performance philosophy.

Who is entitled to benefit from these incentives?

All employees

Types of incentives

Monetary reward

Activity incentivized

Efficiency project

Comment

The Exceed Award is Gap Inc.'s company-wide spot bonus program. The cash award is designed as a tool to reward team members in real-time who demonstrate superior performance and generate results above and beyond the expected job scope. The Exceed Award may be given to an individual or a team for outstanding performance in a variety of areas, including environmental sustainability initiatives such as work on reducing emissions, meeting targets, leading emissions reduction initiatives and piloting innovative programs which actively respond to environmental issues.



C2. Risks and opportunities

C2.1

(C2.1) Describe what your organization considers to be short-, medium- and long-term horizons.

	From (years)	To (years)	Comment
Short-term	1	3	
Medium-term	3	5	
Long-term	5	10	

C2.2

(C2.2) Select the option that best describes how your organization's processes for identifying, assessing, and managing climate-related issues are integrated into your overall risk management.

Integrated into multi-disciplinary company-wide risk identification, assessment, and management processes

C2.2a

(C2.2a) Select the options that best describe your organization's frequency and time horizon for identifying and assessing climate-related risks.

	Frequency of monitoring	How far into the future are risks considered?	Comment
Row 1	Six-monthly or more frequently	>6 years	Risks assessments encompass potential impacts to the operations of Gap Inc.'s global business and supply chain.

C2.2b

(C2.2b) Provide further details on your organization's process(es) for identifying and assessing climate-related risks.

At the enterprise level, our Internal Audit team conducts annual risk assessment interviews with more than 60 of the Company's top executives and board members. A subset of these executives (~20) is interviewed quarterly to track changes in the Company's risk profile.

Our Global Sustainability team works with outside experts and stakeholders, business partners across the organization and Gap Inc.'s Environment Council to assess and take action on environmental and social risks and opportunities. We use a variety of approaches and tools to identify and evaluate risks and opportunities, including a sustainability materiality assessment, country and region-specific risk assessments and stakeholder maps, rankings and profiles. Gap Inc. defines a substantive financial impact as an impact that has a high likelihood to disrupt our ability to operate our business.

We conduct Company-wide enterprise risk assessments and asset level business continuity planning that encompass sustainability-related risks, including the risks that climate and environmental impacts could pose to our business. Within our supply chain, we request Tier 1 suppliers of branded products, and strategic Tier 2 suppliers, to use the SAC's Higg index to perform environmental self-assessments. In 2018, we increased verification of these assessments to improve reporting.

Our Global Sustainability team works with business partners and experts to assess the importance of potential environmental and social risks and opportunities to our business and external stakeholders, including suppliers and the people who make our products. The tools we use to help prioritize risks and opportunities include a sustainability materiality assessment, life cycle assessment of representative products, country and region-specific risk assessments and a stakeholder perception index. For our materiality and other risk assessments, we consider such factors as the magnitude, likelihood and time horizon of potential impacts on stakeholders and our business.

At the asset level, our Business Continuity Planning (BCP) team analyzes, prioritizes and helps to mitigate asset risks resulting from extreme weather, natural hazards and other external events. The BCP team uses predictive and actual models from the National Oceanic and Atmospheric Administration (NOAA) and other national and international agencies as well as integrated GoogleEarth tracking tools that are overlaid against all of Gap Inc.'s facilities for tracking potential and actual impacts. The team uses a Risk Assessment Tool ("RAT") to determine the event and Company risk and the residual risk remaining after preparedness plans are developed.

C2.2c

(C2.2c) Which of the following risk types are considered in your organization's climate-related risk assessments?



	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Current regulation directly impacts our operations, manufacturing and sourcing, and is considered within our risk assessments. Current regulation on climate change can impact energy prices, compliance costs, sourcing availability and costs as well as ability to operate in markets. Specifically, to our supply chain, current regulations, such as regional caps on GHG emissions within China have affected textile mills and cut-sew facilities from which we source, requiring shifts in sourcing location or causing delays in production. We consider existing regulations in where we source and how we aim for compliance. We use our supplier selection process, combined with monitoring of regulatory landscapes to monitor potential impacts,
Emerging regulation	Relevant, always included	Emerging regulation potentially impacts our operations, manufacturing and sourcing, and is considered within our risk assessments. Emerging regulation on climate change can impact energy prices, compliance costs, sourcing availability and material costs as well as ability to operate in markets. For example, as China has introduced climate regulation, textile mills are being monitored for compliance to absolute caps on emissions, with the potential of halting production when caps are reached. This can adversely impact our supply chain and lead to product delays. In addition, emerging regulation, such as tariffs, may impact our sourcing locations. Product cost increases or events causing disruption of imports from Vietnam, China, or other foreign countries, including the imposition of additional import restrictions or taxes, or vendors potentially failing due to political, financial, or regulatory issues, could have an adverse effect on our operations. We consider emerging regulations in where we source and how we aim for compliance. We use our supplier selection process, combined with monitoring of regulatory landscapes to monitor potential impacts,
Technology	Not relevant, explanation provided	We have not identified technological impacts from climate-related risks in our industry, as the primary impacts appear to provide opportunities in terms of efficiency and lower production costs.
Legal	Relevant, always included	We may face legal risks from claims made on our products, by marketing or by our communications about the climate impact of our products. We train all product teams and review external material to comply with all applicable legal expectations. Though we do not currently face business level legal risks from climate change, we use disclosures such as CDP and our annual Sustainability Report to substantiate our actions and management strategy. Our Sustainability



		and Legal team regularly conduct risk assessments by reviewing our public-facing language against public guidance such as the US Federal Trade Commission's "Green Guides".
Market	Relevant, sometimes included	<p>Market shifts have implications for our sourcing, production and business. As climate impacts may cause shifts in raw materials, especially cotton due to extreme weather, drought or flooding, we may face sourcing risk or costs. As a result, apparel and textile industries have shifted to build resiliency around cotton, such as BCI, which is captured in our goals to source more sustainable cotton.</p> <p>Awareness of the competitive landscape demonstrates that many retail and apparel companies have begun to address market risk from climate-related impacts.</p> <p>In 2018, we completed and rolled out our Preferred Fiber & Materials Toolkit. The tool empowers product teams to select the best fibers based on sustainability impacts such as water, chemicals, energy and emissions, land use and biodiversity, social conditions, animal welfare, potential for circularity and improved conditions for women, alongside commercial and performance considerations.</p>
Reputation	Relevant, sometimes included	<p>We believe that doing our part to address the global issue of climate change may also affect our reputation with customers, employees and investors, as well as environmental and human rights organizations and other stakeholders. We have actively leveraged our membership in Ceres' BICEP initiative to advocate for progressive policy action on climate and energy issues at the local, state and federal level, and have also publicly affirmed our commitment to the Paris Climate Agreement and the #wearestillin movement. We assess our reputation through monitoring responses and scoring of investor-facing disclosures and rankings, such as CDP, DJSI, IPE CITI Report, MSCI, ISS, and others, as well as by performing customer insight evaluations.</p>
Acute physical	Relevant, sometimes included	<p>The supply and cost of certain agricultural commodities, particularly cotton, is critical to our business. Cotton is used in the majority of our products, and Gap Inc. is a major buyer of cotton in the apparel industry. Droughts, extreme heat or other chronic physical impacts causing changes in agricultural production, precipitation or weather in key cotton-producing countries (e.g., China, India, Pakistan, U.S.) related to climate change could impact the availability and cost of the cotton that is used to make many of our apparel products. We use forecasting to predict risks, and work with suppliers such as BCI to evaluate how to build resilient supply chains., and tools such as our Preferred Fiber Toolkit to shift our sourcing choices to those that have lower climate change risks and impacts.</p>



Chronic physical	Relevant, sometimes included	<p>Flooding, drought or another extreme precipitation event that affects a substantial share of the global cotton supply could lead to a significant increase in the cost of sourcing our products. In 2011, a severe drought in a major cotton producing country contributed to lowering our gross profit margin by several percentage points, which could be seen again, as evidenced by growing cotton prices over the last few years.</p> <p>Chronic physical risks are assessed by our Business Continuity Planning (BCP) team at the asset level, using predictive and actual models from the National Oceanic and Atmospheric Administration (NOAA) and other national and international agencies. When impacted materially from events such as hurricanes, we evaluate financial and physical impacts and build those risks into future planning processes.</p>
Upstream	Relevant, sometimes included	<p>We also recognize the need to adapt our supply chain, sourcing practices and product design to regulatory developments and issues of water scarcity and other agricultural impacts in key sourcing countries that are influenced by climate change. The supply and cost of certain agricultural commodities, particularly cotton, is critical to our business. Cotton is used in the majority of our products, and Gap Inc. is a major buyer of cotton in the apparel industry. Droughts, extreme heat or other chronic physical impacts causing changes in agricultural production, precipitation or weather in key cotton-producing countries (e.g., China, India, Pakistan, U.S.) related to climate change could impact the availability and cost of the cotton that is used to make many of our apparel products.</p>
Downstream	Relevant, sometimes included	<p>We anticipate that doing our part to address the global issue of climate change may also affect our reputation with customers, employees and investors, as well as environmental and human rights organizations and other stakeholders.</p>

C2.2d

(C2.2d) Describe your process(es) for managing climate-related risks and opportunities.

We believe that addressing climate change benefits our business, making us more efficient and enhancing our connection with customers, employees and other stakeholders. Within our own operations, we focus primarily on energy and waste. Taking action in one area, like waste, can also reduce greenhouse gas (GHG) emissions. As research shows the majority of GHG emissions take place within supply chain, we are focused on assessing and reducing our overall footprint by developing a Science Based Target and working with our suppliers. We believe it is vitally important that we address the urgent challenge of climate change—and that integrating climate change into our business strategy contributes to a competitive advantage in several ways, as it:



- Reduces our operating costs by increasing energy efficiency and reducing consumption
- Positions us well to adapt to a fast-changing regulatory environment affecting energy use, product marketing and labeling and store construction
- Helps us improve our reputation and build support from a range of stakeholders, including customers, employees, investors and environmental organizations

We aim to manage our climate-related risks and opportunities through our management approach below:

1. **Integrate Sustainability into Our Business:** By integrating sustainability into our business as a core driver, we create wider accountability for sustainability goals. This allows us to leverage our talent across all of Gap Inc. to achieve our ambitious sustainability goals. For example, our GHG target is a Company-owned goal that is governed by key business leaders within Company operations, such as energy procurement, who have oversight over our progress.
2. **Set Ambitious Goals:** By setting ambitious goals, we establish focus on key indicators across our Company so that we can measure our progress on delivering real benefits to the people and communities we serve. Our Global Sustainability team, alongside business partners and external stakeholders, manages climate related risks and opportunities.
3. **Deliver on Our Commitments:** By delivering on our commitments, we contribute in a meaningful way to the people and places we rely on for our business—which also helps our Company succeed.
4. **Form Partnerships with Civil Society, Governments and Other Sectors to Increase Collective Impact:** By partnering with organizations from the local to the global level, we can deliver impact on a bigger scale and create long-term, sustainable progress. As an example, our transportation team also works to achieve emission reductions while streamlining our logistics, contributing to reducing our Scope 3 emissions through programs such as EPA's SmartWay in partnership with our transportation providers.

In terms of how this process is applied to chronic physical risks, we review risks due to extreme weather events, such as hurricanes, flooding and extreme heat for their impact on our owned and operated locations. We prepare Business Continuity plans to prepare for risks. Annually, we compile and review the physical impacts and financial costs associated with employee support and recovery for these facilities.

As an example for how this process is applied to transitional opportunities, particularly technology, in 2018, we took major steps towards reducing our operated carbon footprint, primarily by contracting renewable energy. In June 2018, we signed a 20 year power purchase agreement for 3 megawatts of onsite solar at our Fresno DC with the developer SunPower. Construction will commence in 2019 and will offset 51% of the facility's energy needs once it is operational. In December 2018, an Athleta-specific Virtual Power Purchase Agreement (VPPA) was fully executed and completed Gap Inc.'s first offsite renewable energy contract. The deal is for 7.5 megawatts of solar energy in North Carolina on a 15-year term that will begin generating in the second half of 2020. Energy produced by the project will enable Athleta to communicate externally that they purchase sufficient



renewable energy to power 100% of their store fleet – providing a communications opportunity as well as B Corp certification credit. The deal will also contribute to our overall Gap Inc. greenhouse gas emissions reduction goal.

Science-based target: In 2017, Gap Inc. signed on to the Science-Based Target initiative to align our climate goals with the scientific consensus and core commitment of the Paris Agreement to limit global warming below 2°C. The initiative, a partnership between CDP, WRI, WWF, and the UN Global Compact, includes more than 400 companies.

The establishment of our 2020 Scope 1 and 2 GHG emissions-reduction goal was informed by science-based methodology. To meet the standards of the Science-Based Target protocol (SBTi), we are also establishing a Scope 3 emissions goal in line with the guidance provided by SBTi. We plan to submit Gap Inc.'s science-based target for Scope 3 emissions in 2019.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type

Transition risk

Primary climate-related risk driver

Technology: Costs to transition to lower emissions technology

Type of financial impact

Abrupt and unexpected shifts in energy costs

Company- specific description

Climate and energy regulations are expected to contribute to an increase in the costs of procuring the energy that is needed to run our 3,000+ stores, office locations, and distribution centers (DCs) in the U.S. and international markets. Our stores and DCs account for the majority of the Scope 2 climate emissions and energy consumption for Gap Inc.'s owned and operated facilities.

Time horizon

Short-term

Likelihood

More likely than not

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

0

Potential financial impact figure – maximum (currency)

10,000,000

Explanation of financial impact figure



The risk of abrupt and unpredictable energy price fluctuations could cause variation in our energy procurement costs. The industry's projections suggest that we are at a moderate risk of an increase of \$10,000,000 annually, given our current energy load and spend.

Management method

We set a goal to achieve a 50% absolute reduction in GHG emissions at our owned and operated facilities globally by 2020 against a 2015 baseline. We have a number of initiatives in place to improve energy efficiency and reduce energy consumption at our owned and operated facilities. We have installed LED and other energy-efficient lighting in most of our U.S. stores and stores in a number of international markets, including China, Japan and France. We continue to scale LED retrofits and Energy Management Systems in our retail fleet, across approximately 500 of our US based stores, with a focus on our Gap and Banana Republic brands.

In June 2018, we signed a 20 year power purchase agreement for 3 megawatts of onsite solar at our Fresno DC with the developer SunPower.

- Construction will commence in 2019 and will offset 51% of the facility's energy needs once it is operational.
- When we signed the PPA, we forecasted an \$84k annual energy savings for the facility.

Management costs include employee resources and time as well as the cost to make investments in increasing energy efficiency and reducing energy consumption, such as the installation of energy management systems and LED lighting in our stores and distribution centers. The installation of efficiency improvements at our retail stores and distribution centers has a payback period of 2-3 years.

Cost of management

4,500,000

Comment

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Supply chain

Risk type

Transition risk

Primary climate-related risk driver

Market: Increased cost of raw materials

Type of financial impact

Increased production costs due to changing input prices (e.g., energy, water) and output requirements (e.g., waste treatment)

Company- specific description

A high percentage of Gap Inc.'s product is made from cotton, primarily grown in countries such as China, India and Pakistan, all of which face climate-related impacts to production. As climate impacts may cause shifts in raw materials that we use in our products, especially cotton due to extreme weather, drought or flooding, we may face sourcing risk or costs.

We focus our cotton strategy around building fiber security and maintaining a comprehensive evaluation of cotton sourcing risks, as well as building a more sustainable source of cotton that is better for people and the planet.

We are working closely with our top suppliers to support our companywide policy to eliminate our use of wood-derived fibers from ancient and endangered forests by 2020. This commitment helps protect critical forests and also supports our efforts to tackle climate change, as forest ecosystems are vital natural resources that promote biodiversity, protect watersheds and help mitigate the release of carbon dioxide into the atmosphere.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Raw material costs are expected to increase due to climate related risks in our global supply chain. Currently raw material costs are stable but we anticipate variability in raw material costs in the future. Commodity prices of cotton or recycled polyester are variable and fluctuate based on market forces and external impacts such as drought, flooding and consumer sentiment.

Management method

In 2018, we continued our strategy to focus on the fibers that account for approximately 97% of our fiber consumption: cotton, polyester, nylon and man-made cellulose such as rayon and modal.

Gap brand, Banana Republic, and Old Navy have all committed to sourcing 100% of their cotton from more sustainable sources. This includes organic, recycled and Better Cotton Initiative (BCI) cotton.

We're taking steps to source more sustainable synthetic fibers, including recycled polyester and nylon.

We are also identifying our raw-material suppliers in order to eliminate sourcing of wood-derived fibers from ancient and endangered forests: in 2018, we identified sourcing for 80% of Gap Inc.'s cellulosic fiber volume.

Our management approach of favoring more sustainable sources of raw materials may incur direct and indirect costs. Our main raw materials are commodities, and systemic management of climate change impact requires coordinated effort across the industry. We partner with organizations such as BCI. This initiative comes with a membership cost, as well as a cost that is variable with our sourcing volumes. The number provided is the membership fee cost for large companies as defined by BCI; Retailers and Brand members pay a Membership Fee and

a variable Volume Based Fee (VBF). The membership fee is calculated on total cotton lint footprint, and the VBF is calculated on how much Better Cotton is sourced.

Cost of management

52,000

Comment

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type

Physical risk

Primary climate-related risk driver

Acute: Increased severity of extreme weather events such as cyclones and floods

Type of financial impact

Increased insurance premiums and potential for reduced availability of insurance on assets in "high-risk" locations

Company- specific description

With over 3000 stores (in 2018) and other owned & operated facilities globally, Gap Inc.'s operations are at physical risk to the changing climate including floods, droughts and other extreme weather events that damage facilities and make them unable to operate their normal business functions. For example, in response to Hurricanes Maria, Irma and Harvey, Gap Inc. stores were evacuated due to flood and damage risk and employees provided with support during recovery periods.

Time horizon



Current

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Risk of natural disasters caused by extreme weather events related to climate change are increasing. For example, during Q3 of 2017, Hurricanes Harvey, Irma and Maria impacted our retail footprint for a limited duration, which included the closure of a combined total of 277 of our stores, for an average of approximately 6 days, representing 0.1% of our total store days lost considering our more than 3,600 owned and operated and franchise stores. We could anticipate a substantial impact to our stores and sales, should a year including hurricane events similar to this occasion occur again.

Management method

To manage the cost of extreme weather events, we purchase insurance where advisable. Additionally, we maintain business continuity plans for potential impacts, including the continuation of pay for affected workers. During Q3 of 2017, Hurricanes Harvey, Irma and Maria impacted our retail footprint for a limited duration, including the closure of a combined total of 277 of our stores. When impacted from events such as hurricanes, we evaluate financial and physical impacts and build those risks into future planning processes. We implemented our business

continuity plans, for example, at some of our stores following these severe storms and continued pay of employees affected by the event.

Management costs are built into our overall business continuity planning, human resources and internal risk management controls. Specific management costs for climate-related risks have not been isolated.

Cost of management

0

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Energy source



Primary climate-related opportunity driver

Use of lower-emission sources of energy

Type of financial impact

Reduced operational costs (e.g., through use of lowest cost abatement)

Company-specific description

In June 2018, we finalized an agreement to develop an additional 3-megawatt solar array at our Fresno, California distribution center. The project, which will result in the equivalent of removing 254 passenger cars from the road annually, will offset more than half of the energy load at our Fresno facility and is projected to reduce energy expenses. We expect the array to begin generating power by the end of 2019. We are continuing to explore the possibility of combined renewable energy and storage opportunities in our distribution center network.

Looking forward to 2019, together with four other companies—Bloomberg, Cox Enterprises, Salesforce, and Workday—we formed a first-of-its-kind Virtual Power Purchasing Agreement (VPPA) partnership that is enabling us to procure a total of 42.5 megawatts of a 100-megawatt solar project in North Carolina. Historically, it has been difficult for individual companies with smaller energy needs to procure solar from large projects due to high transaction costs and complicated contract processes. By joining forces, however, we have expanded our buying power, and we will be able to share best practices with other companies that wish to replicate this innovative model. Each company will receive approximately the same amount of energy from the project. Gap Inc. has contracted for 7.5 megawatts of solar energy, which will offset 100 percent of the energy load for our Athleta brand's retail stores. The project is targeted to begin generating electricity in 2020.

Time horizon

Short-term

Likelihood

Very likely

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

80,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

We estimate a cost savings annually from our onsite solar installation of approximately \$80,000, which is part of our operational costs. We estimate the costs through our agreement to purchase this energy at a fixed price over a period.

Strategy to realize opportunity

We are installing solar production capability that will generate the majority of the electricity used by our distribution facility and are purchasing renewable energy capacity that will fully offset the power consumption of all Athleta operations – including 160+ stores across the United States and our Athleta's HQ location. The project is scheduled to begin operation starting in 2020, bringing new renewable energy to the grid and helping accelerate the transition to a cleaner economy.

The renewable energy project will also contribute to Gap Inc.'s commitment to reduce absolute greenhouse gas emissions by 50 percent across all owned and operated facilities globally by the end of 2020. Gap Inc. is leveraging the lessons learned from this project as it explores large-scale renewable energy solutions that will work best at the enterprise level and help achieve its ambitious climate goal. Last December, Gap Inc. joined with other leading fashion brands to deepen its climate commitment by signing onto the new UN Fashion Industry Charter for Climate Action. In 2017, Gap Inc. signed on to the Science Based Targets initiative (SBTi) to align its climate goals with the scientific consensus and core commitment of the Paris Agreement to limit global warming to less than 1.5 degrees Celsius.

We incurred one-time management costs of this opportunity that included external consultants and employee time.

Cost to realize opportunity

100,000

Comment

Identifier

Opp2

Where in the value chain does the opportunity occur?

Supply Chain

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Reduced water usage and consumption

Type of financial impact

Reduced operating costs (e.g., through efficiency gains and cost reductions)

Company-specific description

We request all Tier 1 suppliers of branded products, and our identified strategic Tier 2 mills, to report on energy consumption, emissions and other environment indicators using the Sustainable Apparel Coalition's (SAC) Higg Index Facility Environment Module (FEM). Our Environmental Capability Building and Supplier Sustainability field teams actively engage suppliers to encourage and assist them with reporting. We are also working on integrating environmental data, including water use, into our sourcing scorecards and decisions for suppliers.

In 2018, 93 percent of our cut and sew manufacturers and 91 percent of fabric mills and dyehouses suppliers used Higg—the highest response rate of any brand SAC members. Since 2017, we have expanded our use of the Higg Facility Environmental Module (FEM) 3.0 to collect data from mills' self-assessments. Increasingly, these self-assessments are verified by third parties. We use this data to help understand our impact and identify specific opportunities to work with our suppliers to achieve better resource efficiency.



Time horizon

Current

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

0

Potential financial impact figure – maximum (currency)

1,000,000

Explanation of financial impact figure

For one example, Gap has implemented a program called Washwell that promotes denim wash technologies and techniques that incorporate at least 20 percent water-savings. We see an opportunity for supplier-based water savings, which may present reduced operating costs to our suppliers. We expect the savings to be substantial, up to \$1M, but estimate a limited amount of cost savings will be passed along to us as a portion of our sourcing spend.

Strategy to realize opportunity

We also work through various projects to improve supplier's environmental performance. As an example, we developed our own Mill Efficiency Program in China in 2017, in which we partnered with a Chinese environmental engineering firm in a year-long assessment of energy and water savings opportunities at 6 textile mill facilities. Together, these facilities achieved more than 1.4 billion liters of water savings and more than 37,000 tons of carbon dioxide equivalent per year. We have expanded the program with additional facilities in 2019.



We work with partners to reduce their resource consumption. Our management is through many initiatives – among them: Race to the Top in Vietnam, India Water Partnership, Sustainable Apparel Coalition (SAC), the Apparel Impact Institute (Aii) and our own environmental capability building program.

Costs of management include of partnerships, training partners, and salary of internal staff dedicated to managing these opportunities.

Cost to realize opportunity

500,000

Comment

Identifier

Opp3

Where in the value chain does the opportunity occur?

Customer

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Type of financial impact

Better competitive position to reflect shifting consumer preferences, resulting in increased revenues

Company-specific description



Our brands are committed to integrating sustainability into everything from the materials they source, to the suppliers they work with while communicating directly with our customers, through our product, online and in our stores about our efforts to produce responsibly. We have committed to goals around sourcing more sustainable fibers, including Better Cotton , recycled cotton and recycled polyester, as well as cellulosic fiber that is not from High Carbon Stock or High Conservation Value forests, all of which have opportunities to realize reduced carbon emissions through the supply chain.

Time horizon

Medium-term

Likelihood

More likely than not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

We are in the process of evaluating the full opportunity of shifting consumer preferences. We see potential shifts in consumer purchasing of more sustainable products due to efforts such as our shift to more sustainable cotton. For example, we've launched a platform for our Gap brand called Gap for Good, and are increasing the percentage of our product which falls under this platform. Gap, Old Navy, Athleta and Banana Republic have all committed to sustainability goals, and are communicating their values and actions to their customers. Estimating



financial impact is extremely difficult, as customer choices and sales depend on a wide variety of factors, to which this opportunity may or may not contribute.

Strategy to realize opportunity

By 2018, all of our brands established executive sustainability steering committees, defined their own priorities and goals, and led strategy workshops on sustainability with cross-functional product teams.

Over the past two years, brands have been working to increase use of more sustainable raw materials, guided by Gap Inc.'s preferred fibers toolkit, and using more efficient fabric dyeing and finishing techniques. These materials, as demonstrated by Life Cycle Assessments, conserve water resources, use less energy, emit less greenhouse gases and hazardous chemicals than their conventional counterparts.

Our management approach of favoring more sustainable sources of raw materials may incur direct and indirect costs. Our main raw materials are commodities, and systemic management of climate change impact requires coordinated effort across the industry. We partner with organizations such as BCI to reduce our risk and to promote broader change. This initiative comes with a membership cost, as well as a cost that is variable with our sourcing volumes. The number provided is the membership fee cost for large companies as defined by BCI, however our total costs may vary depending a number of factors, Retailers and Brand members pay a Membership Fee and a variable Volume Based Fee (VBF). The membership fee is calculated on total cotton lint footprint, and the VBF is calculated on how much Better Cotton is sourced.

Cost to realize opportunity

52,000

Comment

C2.5

(C2.5) Describe where and how the identified risks and opportunities have impacted your business.

Impact	Description
--------	-------------



<p>Products and services</p>	<p>Impacted for some suppliers, facilities, or product lines</p>	<p>Climate change risks and opportunities have relatively large impacts on our products primarily through our raw materials sourcing. We have worked to build resiliency into our supply chains to climate related impacts, especially cotton. With the risk of increased raw material prices, we have set goals to source more sustainable cotton, such as our brands goals to source 100% of their cotton from more sustainable sources, which includes purchasing of BCI, recycled and organic cotton, and other brand goals to source more sustainable synthetics and cellulosics.</p>
<p>Supply chain and/or value chain</p>	<p>Impacted for some suppliers, facilities, or product lines</p>	<p>The operations of Gap Inc.'s Global Supply Chain department has been somewhat impacted by climate-change related risks and opportunities, such as increasing environmental regulatory enforcement in China impacting product supply. For example, in China, regulatory caps on carbon emissions have resulted in the halt of production within identified preferred mill facilities that manufacture our product, occasionally abruptly, which has impacted their ability to provide finished apparel goods in a timely manner.</p> <p>Additionally, supply chain impacts could affect all of our raw material sourcing including cotton and polyester, if commodity prices rise in response to climate-related impacts.</p>
<p>Adaptation and mitigation activities</p>	<p>Impacted</p>	<p>In the long-term, we see a potentially large impact due to adaptation and mitigation activities, highlighting the importance of building a more resilient supply chain, beginning with raw materials. We joined the Better Cotton Initiative in 2016 as part of our ongoing efforts to integrate more sustainable materials into our product design and sourcing practices, and have set a goal for Gap brand of 100% sustainable cotton by 2021, Old Navy by 2022, alongside Athleta's goal to source sustainable fibers for 80% of their materials by 2020. Cotton sourcing for our other brands incorporates an increasing amount of more sustainable cotton, especially BCI cotton. As we continue to evolve our sourcing practices, we continue to further our knowledge about the regions from where we source, to understand risk from water-sensitive areas alongside other impacts arising from climate change.</p>
<p>Investment in R&D</p>	<p>Impacted for some suppliers, facilities, or product lines</p>	<p>In 2017, we opened our innovation lab which incorporates sustainability, such as water efficiency and climate change impacts into research and development. We see a moderate impact with potential for significant innovation from our investments. Additionally, within our supply chain, we have incorporated improved dyeing technology alongside operational efficiencies, such as Gap's Washwell denim program, and partnered with mill groups on piloting and implementing new technology.</p>



		<p>Additionally, in 2018 we developed a Preferred Fiber Toolkit for our designers and developers to educate them on more sustainable fiber choices. These toolkits account for climate change related impacts, as well as water resource risk, among other impacts, to assist our teams in developing more sustainable products. Our fabric R&D teams seek out and validate product selection that minimizes environmental impacts, especially around GHG emissions, chemicals and water impacts.</p>
Operations	Impacted for some suppliers, facilities, or product lines	<p>Climate change related impacts have had small effects on our direct operations, including stores, distribution centers and offices. Identified risks of transition costs to lower emissions technology involve financial outlay to directly source renewable energy or purchase Renewable Energy Credits.</p> <p>With over 3,000 stores and other owned & operated facilities globally, Gap Inc.'s operations are at physical risk to the changing climate including floods, droughts and other extreme weather events that damage facilities and make them unable to operate their normal business functions. For example, in response to Hurricanes Maria, Irma and Harvey, Gap Inc. stores were evacuated due to flood and damage risk and employees provided with support during recovery periods.</p>
Other, please specify		

C2.6

(C2.6) Describe where and how the identified risks and opportunities have been factored into your financial planning process.

	Relevance	Description
Revenues	Not yet impacted	Increasing global temperatures or rising sea levels potentially may have high negative impact on our stores in locations that are located along the coastline. Based on current climate change forecasts, we anticipate that these impacts can occur in the next 20 years.
Operating costs	Not impacted	We anticipate some of our operating costs may be impacted in the next 2-5 years due to climate change, especially the costs of goods sold due to fluctuations in raw material sourcing, especially for cotton, a priority material for Gap Inc. We

		<p>may also see energy fluctuations in countries where we sell our products, as well as impacts on production costs for our suppliers due to energy cost fluctuations and regulation. To respond to these financial risks, we have taken mitigation steps including:</p> <ul style="list-style-type: none"> • Forecasting raw materials and securing further in advance • Entering long term renewable energy deals to secure future pricing on electricity
Capital expenditures / capital allocation	Not evaluated	Information is not currently available.
Acquisitions and divestments	Not evaluated	Information is not currently available.
Access to capital	Not evaluated	Information is not currently available.
Assets	Not evaluated	Information is not currently available.
Liabilities	Not evaluated	Information is not currently available.
Other	Not evaluated	

C3. Business Strategy

C3.1

(C3.1) Are climate-related issues integrated into your business strategy?

Yes

C3.1a

(C3.1a) Does your organization use climate-related scenario analysis to inform your business strategy?

No, and we do not anticipate doing so in the next two years

C3.1c

(C3.1c) Explain how climate-related issues are integrated into your business objectives and strategy.

Our business strategy to address climate change and our materiality assessment have been influenced by our analysis of and reporting on various climate- and energy-related risks and opportunities across our value chain, from water scarcity in sourcing regions to energy costs in our stores. We have conducted product lifecycle assessments that measured outputs such as water use and GHG impacts of some of our signature products including denim and tee shirts, which represent a significant portion of Gap Inc.'s product assortment. These LCAs inform our understanding of where environmental impacts occur along our value chain, as well as conducted a sustainability materiality assessment that identified Energy & Climate Stewardship as one of the most important environmental issues and opportunities for our business and stakeholders. Building on this assessment, we developed the business case for integrating climate change and energy into our Company-wide business strategy.

Our Climate Policy, available online, guides our commitment and informs our strategy. We determined that implementing an enterprise-level strategy to address these climate and energy issues would contribute to business priorities related to increasing innovation, greater resource efficiency across our value chain and increased brand value for employees and consumers. In 2017, we committed to setting a Science Based Target as the next generation of our climate goal, building on our historic reductions in operational greenhouse gas emissions. This target will be submitted for evaluation in 2019, and we are working with industry groups to develop a robust methodology for scope 3 emissions, which includes our value chain. As part of our strategy, we leveraged third party assessments and certifications such as our 2017 application for and 2018 receipt of for B-Corp certification for our Athleta brand, which incorporates social responsibility, including climate management into their charter.

Gap Inc.'s Environmental Council has played a key role in embedding sustainability into our business by considering new initiatives and reviewing progress on existing goals and programs. The Council is sponsored by a Senior Vice President and includes other functional leaders and subject matter experts across the Company. We have also assembled a cross-divisional team of business partners in our Sustainable Buildings and Operations working group to reduce Gap Inc.'s environmental impact and expenses related to building construction and operations.

Our strategy has been influenced by several ways that we expect climate change to affect our business in the coming years. These include risks and opportunities related to anticipated regulatory changes related to energy use, product marketing and labeling, and store construction. For example, we see the need to adapt to country-specific regulatory changes that are expected to contribute to higher energy costs. We also recognize the need to adapt our supply chain, sourcing practices and product design to regulatory developments and issues of water scarcity and other agricultural impacts in key sourcing countries that are influenced by climate change. In addition, we anticipate that doing our part to address the global issue of climate change may also affect our reputation with customers, employees and investors, as well as environmental and human rights organizations and other stakeholders. We have actively leveraged our membership in BICEP to advocate for progressive policy action on climate and energy issues, and publicly affirmed our commitment to the Paris Climate Agreement by signing the We Are Still In pledge in 2017. In 2018, we signed on to the UN Fashion Industry Charter for Climate Action

Some specific examples of how our business strategy has been influenced by climate change are the environment goals we set that integrate climate and sustainability into our core business strategy. Those goals are: 1) to achieve a 50% absolute reduction in the GHG emissions of our owned and operated facilities globally by 2020 (from a 2015 baseline); 2) to set a Science Based Target for GHG emissions; 3) to divert 80% of waste from our U.S. owned and operated facilities by 2020; and 4) to partner with our suppliers to reduce our water consumption, through product design improvements and facility improvements, by 10 billion liters by 2020 (announced 2018)

We have taken a number of measures to reduce our climate emissions and energy use. One of the most substantial business decisions influenced by climate change included setting targets and making purchases of renewable energy, as well as working directly with our sourcing partners to help them reduce their energy usage, thus decreasing our scope 3 emissions. We are constantly evaluating other opportunities to reduce energy consumption but are primarily sourcing low emissions energy for our direct operations to meet our 50% absolute GHG reduction goal by 2020. We have also reduced GHG emissions and energy consumption in our supply chain by participating in the SmartWay shipper programs in the U.S. and Canada. Part of our significant efforts in 2018 was enhancing frameworks to source, design and market more sustainable products lines across all of our brands. We built an educational Preferred Fibers Toolkit for our designers and developers that empowers them to make best-choice decisions on more sustainable fibers and helps our brands reach sustainability commitments.

Recognizing the impacts of climate change on our supply chain, we are working to integrate sustainability into product design and have invested in incorporating sustainable cotton through the Better Cotton Initiative (BCI) as well as recycled polyester, which has lower life cycle GHG emissions than virgin material. We have set goals to source more sustainable cotton, recycled and preferred synthetic fibers, and man-made cellulose that do not come from ancient, endangered or high carbon value forests. Within our supply chain, we have incorporated improved dyeing technology alongside operational efficiencies, such as Gap's Washwell denim program, and partnered with mill groups on piloting new technology. Within manufacturing, we

have expanded our Mill Sustainability to engage the majority of our strategic mills and laundries with the goal of helping them to identify opportunities to improve environmental indicators, several projects underway are estimated to reduce carbon emissions alongside water consumption. In addition, we requested for all monitored factories that produce our products, as well as an expanding selection of mills to report their environmental impacts through the Higg Index. This is to reduce the emission intensity of Gap Inc.'s products and therefore, reduce climate risk from potential sourcing impacts.

In the longer term, we are taking steps to adapt to climate change and regulatory changes by sourcing both onsite and offsite renewable energy.

C3.1g

(C3.1g) Why does your organization not use climate-related scenario analysis to inform your business strategy?

We are currently leveraging multiple data sources and touchpoints to understand the full scope of risks that climate change presents to our business. We have a strong understanding of the impacts that our business generates, both directly and indirectly, on the environment. This information is leveraged to drive meaningful impact reductions and environmental performance improvement in our facilities and our supply chain. While our understanding of climate risks is growing internally, there are other large drivers to our overall business strategy. Apparel retail, including our Gap, Banana Republic, Old Navy and Athleta brands, is an extremely competitive industry, and brick and mortar retail is in the midst of a dynamic period of change. We are focused as a Company on adapting to evolving competitor pressure and customer expectations, including speed to market and growing online orders. Our business strategy is primarily focused on remaining competitive and growing our business, while reducing our overall footprint and contribution to climate change.

Our primary focus is to adapt our apparel retail brands, including Old Navy, Gap, Banana Republic, Athleta, Intermix, Janie and Jack, and Hill City to evolving competitor pressure and customer expectation and currently have not allocated resources or plans towards implementing climate-related scenario analysis beyond the next two years. After the separation of our companies in FY2020, each company may evaluate its potential to use climate-related scenario analysis.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Scope

Scope 1 +2 (market-based)

% emissions in Scope

100

Targeted % reduction from base year

50

Base year

2015

Start year

2015

Base year emissions covered by target (metric tons CO2e)

471,301

Target year

2020

Is this a science-based target?

No, but we anticipate setting one in the next 2 years

% of target achieved

35.5

Target status

Underway

Please explain

This target covers our owned and operated facilities. 17.8% reduction from baseline year, 35.5% of the way complete to a 50% reduction target.

C4.2

(C4.2) Provide details of other key climate-related targets not already reported in question C4.1/a/b.

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	2	0
To be implemented*	3	159,650
Implementation commenced*	0	0
Implemented*	0	0
Not to be implemented	0	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative type

Low-carbon energy purchase

Description of initiative

Solar PV

Estimated annual CO2e savings (metric tonnes CO2e)

2,528

Scope

Scope 2 (market-based)



Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

84,000

Investment required (unit currency – as specified in C0.4)

0

Payback period

<1 year

Estimated lifetime of the initiative

16-20 years

Comment

Fresno Solar PPA (3 MW install – projected annual generation 6,300 MWh)

- In June 2018, we signed a 20 year power purchase agreement for 3 megawatts of onsite solar at our Fresno DC with the developer SunPower.
- Construction will commence in 2019 and will offset 51% of the facility's energy needs once it is operational.
- When we signed the PPA, we forecasted an \$84k annual energy savings for the facility

Initiative type

Low-carbon energy purchase

Description of initiative

Solar PV

Estimated annual CO2e savings (metric tonnes CO2e)

7,153

Scope

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

0

Payback period

<1 year

Estimated lifetime of the initiative

<1 year

Comment

- The deal was a first of its kind aggregation structure with 5 corporate offtakers jointly selecting and contracting an offsite solar project
- The VPPA contract structure requires no upfront cost, and the payback is dependent on future market prices for energy which will dictate potential revenue or cost to the organization
- In December 2018, we signed the Virtual Power Purchase Agreement (VPPA) and completed our first ever Gap Inc. offsite renewable energy contract.
- The deal is for 7.5 megawatts of solar energy in North Carolina on a 15 year term that will begin generating in the second half of 2020. - projected generation of 17,697 MWh annually.

Initiative type

Low-carbon energy purchase

Description of initiative

Wind

Estimated annual CO₂e savings (metric tonnes CO₂e)

7,153

Scope

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

0

Payback period

<1 year

Estimated lifetime of the initiative

11-15 years

Comment

- This 90 MW wind contract is scheduled to begin generating in 2020 and drive achievement to our 2020 GHG emissions reduction target
- The VPPA contract structure requires no upfront cost, and the payback is dependent on future market prices for energy which will dictate potential revenue or cost to the organization

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Financial optimization calculations	Return on Investment (ROI) calculations are a key method for driving investments in emission reduction activities, especially as a selling point to upper management and leaders within the business groups. Investments which have a 1-3 year ROI are the types of activities we have typically engaged in the past.
Employee engagement	In surveys across the Company, a significant majority of our employees are proud of Gap's Inc. reputation within the community, believe in our values and feel that our leadership demonstrates a high degree of integrity in the communities we live and work in. Engaging our employees on environmental and social issues like climate change issues allows us to reflect on a common set of values, promote healthy and sustainable living and working and contributes to recruitment and retention rates within the Company. To that end, we have communicated our GHG goal to the entire Company to give visibility to the goal and help drive engagement on environmental initiatives. Employees play a key role in meeting our goals and integrating sustainability further into our business.
Lower return on investment (ROI) specification	Setting public goals has helped drive investment toward emission reduction activities. We have also begun comparing the ROI and Internal Rate of Return (IRR) on the various paths of investment necessary to achieve our 2020 GHG emissions reduction goal to help drive investment in energy related projects earlier in the goal term.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

No

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start

February 1, 2015

Base year end

January 31, 2016

Base year emissions (metric tons CO₂e)

27,450

Comment

Scope 2 (location-based)

Base year start

February 1, 2015

Base year end

January 31, 2016

Base year emissions (metric tons CO₂e)

464,363

Comment

Scope 2 (market-based)

Base year start

February 1, 2015

Base year end

January 31, 2016

Base year emissions (metric tons CO₂e)

443,850

Comment

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO₂e?

Reporting year

Gross global Scope 1 emissions (metric tons CO₂e)

27,819

Start date

February 1, 2018

End date

January 31, 2019

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO₂e?

Reporting year

Scope 2, location-based

371,732

Scope 2, market-based (if applicable)

359,825

Start date

February 1, 2018

End date

January 31, 2019

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization's Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Metric tonnes CO2e

5,182,808



Emissions calculation methodology

Data includes Tier 1 & 2 suppliers as well as upstream embodied carbon of materials. Tier 1 & 2 is based on Higg data from suppliers reporting in 2017 and contains GHG calculations of their scope 1 & 2 based on energy data and allocations of impact to Gap, Inc. Embodied carbon is calculated based on material quantity and emission factors per type of material.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

42

Explanation

Tier 1 & 2 is based on Higg data representing 75% of information for Tier 1 & 2; embodied carbon is based on actual material quantities purchased but estimated emission factors. These two factors combine to 42% of the emissions calculated from actual supplier data.

Capital goods

Evaluation status

Not relevant, explanation provided

Explanation

Capital goods are incorporated into purchased goods & services, as they are considered purchased goods per Gap's Scope 3 analysis.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Not relevant, calculated

Metric tonnes CO2e

83,144

Emissions calculation methodology

Emission data is calculated with Quantis Scope 3 Evaluator tool, using 2017 data inputs.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0



Explanation

Based on SBTi criteria of relevancy, purchased goods & services represents >66% of impact of all scope 3 categories. All other categories are considered not relevant.

Upstream transportation and distribution

Evaluation status

Relevant, calculated

Metric tonnes CO2e

514,832

Emissions calculation methodology

Emissions calculated using primary tonne.km information at a haul level from Gap internal systems, multiplied by Defra product transportation emission factors.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Explanation

Waste generated in operations

Evaluation status

Not relevant, calculated

Metric tonnes CO2e

20,857

Emissions calculation methodology

Emission data is calculated with Quantis Scope 3 Evaluator tool, using 2017 data inputs.



Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

Business travel

Evaluation status

Not relevant, calculated

Metric tonnes CO2e

20,857

Emissions calculation methodology

Includes air travel and car rentals, with air travel provided at a haul level per passenger. Emissions calculated using Defra 2018 factors based, assuming radiative forcing.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Explanation

Employee commuting

Evaluation status

Not relevant, calculated

Metric tonnes CO2e

20,400

Emissions calculation methodology

Emission data is calculated with Quantis Scope 3 Evaluator tool, using 2017 data inputs.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Explanation

Gap doesn't have upstream leased assets

Downstream transportation and distribution

Evaluation status

Not relevant, calculated

Metric tonnes CO2e

55,379

Emissions calculation methodology

Emissions calculated using primary tonne.km information at a haul level from Gap internal systems, multiplied by Defra product transportation emission factors.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Explanation

Processing of sold products

Evaluation status

Not relevant, explanation provided

Explanation

Gap does not have emissions associated with the processing of our sold products.

Use of sold products

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

2,095,886

Emissions calculation methodology

Calculations are based on average assumed life of products per product category and average consumer use / wash behavior. Emission data is calculated with Quantis Scope 3 Evaluator tool, using 2017 data inputs.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

Based on industry guidance issued from the SBTi apparel working group, this category is option and does not meet the criteria of relevancy for scope 3 (low level of influence)

End of life treatment of sold products

Evaluation status

Not relevant, calculated

Metric tonnes CO₂e

369

Emissions calculation methodology

Data is based on Quantis Scope 3 Evaluator tool, using 2017 data inputs.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

Representing <1% of all scope 3 impacts, this category is not considered relevant based on a 2018 Scope 3 screening assessment.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Explanation

Gap doesn't have downstream leased assets

Franchises

Evaluation status

Relevant, calculated

Metric tonnes CO2e

28,531

Emissions calculation methodology

Based on square footage data, using a standard brand energy intensity factors and International Energy Agency emission factors.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0



Explanation

Investments

Evaluation status

Not relevant, explanation provided

Explanation

Gap doesn't have investments that meet the Scope 3 criteria of relevancy.

Other (upstream)

Evaluation status

Explanation

Other (downstream)

Evaluation status

Explanation

C6.7

(C6.7) Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO₂e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.00002338

Metric numerator (Gross global combined Scope 1 and 2 emissions)

387,643

Metric denominator

unit total revenue

Metric denominator: Unit total

16,580,000,000

Scope 2 figure used

Market-based

% change from previous year

8.5

Direction of change

Decreased

Reason for change

Emissions reduced by 4.3% while revenue increased by 4.6%, leading to an 8.5% reduction.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	27,790	IPCC Fifth Assessment Report (AR5 – 100 year)
CH4	13	IPCC Fifth Assessment Report (AR5 – 100 year)
N2O	16	IPCC Fifth Assessment Report (AR5 – 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
Canada	3,816
Japan	1,598
United Kingdom of Great Britain and Northern Ireland	618
United States of America	21,786

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
Distribution Centers	6,384
Corporate Headquarters	1,691
Retail Locations	19,743

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted in market-based approach (MWh)
Bangladesh	41	41	73	0
Canada	9,544	8,935	71,228	0
China	34,289	34,289	54,426	0
Egypt	3	3	6	0
France	369	407	7,021	0
China, Hong Kong Special Administrative Region	647	647	877	0

India	1,410	1,410	1,930	0
Indonesia	48	48	65	0
Ireland	408	635	984	0
Italy	1,174	1,683	3,537	0
Japan	35,185	35,185	66,842	0
Mexico	2,114	2,114	4,539	0
Pakistan	4	4	11	0
Puerto Rico	1,797	1,797	3,944	0
Republic of Korea	138	138	263	0
Sri Lanka	10	10	17	0
Taiwan, Greater China	2,341	2,341	3,970	0
Turkey	2	2	5	0
United Kingdom of Great Britain and Northern Ireland	7,067	9,255	25,230	0
United States of America	274,991	260,732	689,830	0
Viet Nam	148	148	330	0

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.



Business division	Scope 2, location-based emissions (metric tons CO2e)	Scope 2, market-based emissions (metric tons CO2e)
Distribution Center	34,758	29,508
Corporate Headquarters	13,615	11,292
Retail Locations	323,358	319,025

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined) and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	0	No change	0	
Other emissions reduction activities	0	No change	0	
Divestment	0	No change	0	
Acquisitions	0	No change	0	
Mergers	0	No change	0	

Change in output	4,770	Decreased	1	Emissions representing store closures represented a net 3206 emission reduction, representing a 1% of the 4.3% total decrease (3206/404923)
Change in methodology				
Change in boundary				
Change in physical operating conditions	3,239	Decreased	1	Weather contributed to approximately 3239 lower emissions based on baseline weatherization values representing approximately 1% of the 4.3% reduction (3239/404923)
Unidentified	10,835	Decreased	3	Emissions reduced by 17280 metric tons CO2e since 2017, or 4.3%. When subtracting emission reductions from store closures and weather normalization, approximately 3% is unidentified (10835/404923)
Other				

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Market-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertakes this energy-related activity
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	Yes
Consumption of purchased or acquired cooling	Yes
Generation of electricity, heat, steam, or cooling	No

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	151,834	151,834
Consumption of purchased or acquired electricity		0	928,188	928,188
Consumption of purchased or acquired steam		0	6,392	6,392
Consumption of purchased or acquired cooling		0	548	548
Total energy consumption		0	1,086,962	1,086,962



C8.2b

(C8.2b) Select the applications of your organization’s consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of heat	No
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Fuels (excluding feedstocks)

Jet Gasoline

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

4,022

Comment



Fuels (excluding feedstocks)

Natural Gas

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

146,681

Comment

Fuels (excluding feedstocks)

Propane Gas

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

1,131

Comment

C8.2d

(C8.2d) List the average emission factors of the fuels reported in C8.2c.

Jet Gasoline

Emission factor

0.00024

Unit

metric tons CO2e per MWh

Emission factor source

US EPA Mandatory Reporting Rule, 2013

Comment

Natural Gas

Emission factor

0.00018

Unit

metric tons CO2e per MWh

Emission factor source

US EPA Mandatory Reporting Rule, 2013

Comment

Propane Gas

Emission factor

0.00021

Unit

metric tons CO2e per million Btu

Emission factor source

US EPA Mandatory Reporting Rule, 2013

Comment

C8.2f

(C8.2f) Provide details on the electricity, heat, steam and/or cooling amounts that were accounted for at a low-carbon emission factor in the market-based Scope 2 figure reported in C6.3.

Basis for applying a low-carbon emission factor

No purchases or generation of low-carbon electricity, heat, steam or cooling accounted with a low-carbon emission factor

Low-carbon technology type

Region of consumption of low-carbon electricity, heat, steam or cooling

MWh consumed associated with low-carbon electricity, heat, steam or cooling

Emission factor (in units of metric tons CO₂e per MWh)

Comment



C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 and/or Scope 2 emissions and attach the relevant statements.

Scope

Scope 1

Verification or assurance cycle in place

Annual process


Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 2018_Gap_Assurance_GHG_Energy.pdf

Page/ section reference

1

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

Scope

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 2018_Gap_Assurance_GHG_Energy.pdf

Page/ section reference

1

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

Scope

Scope 2 market-based

Verification or assurance cycle in place

Annual process


Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 2018_Gap_Assurance_GHG_Energy.pdf

Page/ section reference

1

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope

Scope 3- all relevant categories


Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Attach the statement

 2018_Gap_Assurance_GHG_Energy.pdf

Page/section reference

3

Relevant standard

ISO14064-3

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, we are waiting for more mature verification standards and/or processes

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Collect climate change and carbon information at least annually from suppliers

% of suppliers by number

100

% total procurement spend (direct and indirect)

100

% Scope 3 emissions as reported in C6.5

97

Rationale for the coverage of your engagement

Our brands approach sustainability throughout the product lifecycle, examining the materials they source, the products they design and the suppliers they work with. All of our brands expanded their efforts to embed sustainability into product design and raw materials selection, and



they increased consumer communications to emphasize the importance of sustainability to the people who buy and wear our clothes. We use Higg Fem 3.0 as a way to engage with our suppliers. We require all Tier 1 cut-and-sew suppliers and strategic Tier 2 fabric mill suppliers to respond to the Higg Index FEM 3.0.

Impact of engagement, including measures of success

In 2018, we sharpened our understanding of the environmental impact of our mill suppliers through our use of Higg FEM 3.0. Today, 93 percent of our cut and sew manufacturers and 91 percent of fabric mills and dyehouses suppliers used Higg—the highest response rate of any brand SAC members. We use the Higg Fem 3.0 tool on an annual basis to review the progress of our suppliers' environmental strategies and define success based on the increased number of our suppliers using Higg. We then engage with these suppliers on emissions reduction projects

In 2018, we completed and rolled out our Preferred Fiber & Materials Toolkit, which we created alongside third-party industry partners. The tool empowers product teams to select the best fibers based on sustainability impacts such as water, chemicals, energy and emissions, land use and biodiversity, social conditions, animal welfare, potential for circularity and improved conditions for women.

Comment

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

- Direct engagement with policy makers
- Trade associations

C12.3a

(C12.3a) On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
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Adaptation or resilience	Support	Through our memberships with both CERES and BICEP, we have engaged with state and federal policy makers to support and influence policy decisions related to existing and proposed legislation that supports clean energy generation. We are members of the Rocky Mountain Institute Business Renewables Center and the multi-stakeholder Renewable Energy Buyers Alliance.	Supportive of the Clean Power Plan, CA Cap and Trade legislation, Renewable Portfolio Standards
Carbon tax	Support	Gap Inc, alongside more than 75 businesses including eBay, Exelon, Gap, Levi's, Nike, Mars Incorporated, Microsoft, PepsiCo, Tesla and others joined with a bipartisan group of federal lawmakers through CERES to call on Congress to pass meaningful climate legislation, including a price on carbon.	<p>The businesses calling for a meaningful national carbon price span across the American economy, including retail giants, manufacturers, oil majors, healthcare services, food and beverage companies, outdoors industries, technology companies, and energy providers.</p> <p>Representatives from these businesses are meeting one-on-one with lawmakers and congressional staff from both sides of the aisle in the House and the Senate to educate them on the economic impacts of climate change and the need for comprehensive and effective national climate policies. Hosted by Sen. Chris Coons (D-DE), these representatives will make the business case for a strong and effective federal carbon price and share the private sector's vision for comprehensive solutions to tackle climate change.</p>

C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

Yes

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association

BICEP (Ceres Initiative)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

We are actively engaged members of Ceres' Business for Innovative Climate and Energy Policy (BICEP) coalition, a group of over 365 public and private companies seeking to help support meaningful energy and climate change legislation. The goal of the coalition is to work directly with key allies in the business community — and members of Congress — to pass meaningful energy and climate change legislation consistent with BICEP's core principles. As an active member of BICEP, we are helping to stress the urgency of finding solutions to climate issues.

How have you influenced, or are you attempting to influence their position?

We have actively leveraged our membership in BICEP to advocate for progressive policy action on climate and energy issues. We signed onto BICEP/CERES' Climate Declaration SB32 and SB350 in California, supporting renewable power, energy efficiency in buildings and vehicles, and climate goals. We have actively leveraged our membership in BICEP to advocate for progressive policy action on climate and energy issues, and publicly affirmed our commitment to the Paris Climate Agreement.

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

We have a corporate Climate Policy that outlines our position as it relates to climate change. This policy serves to structure internal decision making, prioritization, and policy advocacy to ensure alignment on all activities related to climate change.

Additionally, Gap Inc.'s Environmental Council, which includes functional business leaders from across the Company, evaluates and helps build alignment on new initiatives and reviews progress on our existing environmental goals and programs. The close collaboration and organized communication within our Environmental Council helps to ensure that all environmental goals and programs are consistent with Gap Inc.'s overall climate change strategy.

Our policy advocacy on climate change issues is also aligned cross-functionally through close collaboration between our Communications and Global Sustainability departments.

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In voluntary sustainability report

Status

Underway – previous year attached

Attach the document

 GapInc_SustainabilityReport2017_Final.pdf

Page/Section reference

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Content elements

Governance

Strategy

Risks & opportunities



Emission targets

Comment

C14. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C14.1

(C14.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1		Other, please specify

Submit your response

In which language are you submitting your response?



Please confirm below